

Senate File 587

S-3133

1 Amend Senate File 587 as follows:

2 1. Page 3, line 21, by striking <a and b> and inserting <a,
3 b, and c>

4 2. Page 4, by striking lines 4 and 5 and inserting:

5 <c. For fiscal years beginning on or after July 1, 2023,
6 the region's cash flow amount, ~~either reserved in the region's~~
7 ~~combined account or reserved among all separate county accounts~~
8 ~~under the control of the governing board~~, shall not exceed
9 forty five percent of the gross actual expenditures from the
10 combined account ~~or from all separate county accounts under~~
11 ~~control of the governing board~~ for the fiscal year preceding
12 the fiscal year in progress.>

13 3. Page 7, by striking lines 10 through 15 and inserting:

14 <Sec. _____. Section 331.432, subsection 3, Code 2021, is
15 amended to read as follows:

16 3. a. Except as authorized in [section 331.477](#), transfers
17 of moneys between the county services fund created pursuant
18 to [section 331.424A](#) and any other fund are prohibited. This
19 ~~subsection paragraph~~ does not apply to appropriations made or
20 the value of in-kind care and treatment provided pursuant to
21 section 347.7, subsection 1, paragraph "c", Code 2021, or to
22 transfers from a county public hospital fund under section
23 347.7. This paragraph is repealed July 1, 2022.

24 b. Payments or transfers of moneys from any fund of the
25 county to a mental health and disability services region's
26 combined account under section 331.391 are prohibited. This
27 paragraph applies to fiscal years beginning on or after July
28 1, 2022, but does not apply to transfers from a county public
29 hospital fund under section 347.7 for the fiscal year beginning
30 July 1, 2022, or the fiscal year beginning July 1, 2023.>

31 4. Page 10, by striking line 3 and inserting <actual
32 expenditures of the region for the fiscal year preceding the
33 fiscal year in progress,>

34 5. Page 10, by striking lines 8 and 9 and inserting <the
35 actual expenditures of the region for the fiscal year preceding

1 the fiscal year in progress, but the amount of the reduction
2 shall not exceed the>

3 6. Page 10, by striking line 23 and inserting <actual
4 expenditures of the region for the fiscal year preceding the
5 fiscal year in progress,>

6 7. Page 10, by striking lines 28 and 29 and inserting <the
7 actual expenditures of the region for the fiscal year preceding
8 the fiscal year in progress, but the amount of the reduction
9 shall not exceed the>

10 8. Page 11, by striking lines 6 through 11 and inserting
11 <services region for which the amount certified during the
12 fiscal year under section 331.391, subsection 4, paragraph "b",
13 exceeds five percent of the actual expenditures of the region
14 for the fiscal year preceding the fiscal year in progress,
15 the remaining quarterly payments of the region's regional
16 supplement payment shall be reduced by an amount equal to the
17 amount by which the region's amount certified under section
18 331.391, subsection 4, paragraph "b", exceeds five percent
19 of the actual expenditures of the region for the fiscal year
20 preceding the fiscal year in progress, but the amount of the
21 reduction>

22 9. Page 13, by striking lines 3 through 10 and inserting
23 <two mental health and disability services region governing
24 board members, two mental health and disability services region
25 fiscal officers or agents, a member of the mental health and
26 disability services commission who is not a governing board
27 member or chief operating officer of a mental health and
28 disability services region, a member of the county finance
29 committee created in chapter 333A who is not an elected
30 official, a representative of a provider of mental health or
31 developmental disabilities services selected from nominees
32 submitted by the Iowa association of community providers, a
33 representative of a provider of mental health developmental
34 disabilities services selected from nominees submitted by
35 the Iowa behavioral health association, one member of the

1 children's behavioral health system state board who is not a
2 governing board member or chief operating officer of a mental
3 health and disability services region, and two chief operating
4 officers of>

5 10. Page 13, line 18, by striking <county of origin> and
6 inserting <the region to which the member's county belongs>

7 11. Page 13, line 34, by striking <Basic> and inserting
8 <In addition to application and assistance requirements under
9 subsections 6, 7, and 9, basic>

10 12. Page 14, by striking lines 5 through 7 and inserting:
11 <b. (1) In the fiscal year that commenced two years prior
12 to the>

13 13. Page 14, line 17, by striking <gross>

14 14. Page 14, line 22, by striking <gross>

15 15. Page 14, after line 25 by inserting:
16 <(c) For applications for assistance for fiscal years
17 beginning on or after July 1, 2023, five percent of the actual
18 expenditures of the mental health and disability services
19 region for the fiscal year that commenced two years prior to
20 the fiscal year of application for assistance.>

21 16. Page 15, line 17, by striking <mandated> and inserting
22 <core>

23 17. Page 15, line 20, by striking <consumers'> and inserting
24 <an individual's>

25 18. Page 15, lines 21 and 22, by striking <a mobile crisis
26 team or other critical emergency services> and inserting <core
27 crisis services>

28 19. Page 15, by striking lines 25 through 27.

29 20. Page 15, line 28, by striking <e.> and inserting <d.>

30 21. Page 15, line 29, by striking <consumers> and inserting
31 <an individual>

32 22. Page 15, line 31, by striking <consumers> and inserting
33 <individuals needing services and supports>

34 23. Page 16, line 22, after <commission,> by inserting <the
35 children's behavioral health system state board,>

1 24. Page 18, by striking lines 1 through 9 and inserting:
2 <Sec. _____. EFFECTIVE DATE. This division of this Act, being
3 deemed of immediate importance, takes effect upon enactment.>
4 25. Page 19, by striking lines 14 through 18 and inserting:
5 <b. For each fiscal year beginning on or after July 1, 2022,
6 but before July 1, 2027, each county treasurer shall be paid
7 by the department of revenue an amount equal to the sum of the
8 commercial and industrial property tax replacement claims for
9 all taxing authorities, or portion thereof, located in the
10 county, as calculated in subsection 4A. The county treasurer
11 shall pay to each taxing authority the taxing authority's
12 commercial and industrial property tax replacement claim, or
13 portion thereof, as calculated in subsection 4A.>
14 26. Page 19, by striking lines 26 and 27 and inserting:
15 <b. On or before July 1, 2022, the department of management
16 shall calculate and report to the department of revenue>
17 27. Page 20, line 24, by striking <fourteen> and inserting
18 <twenty-four>
19 28. Page 21, by striking lines 27 and 28 and inserting:
20 <(3) The department of management shall calculate and
21 report to the department of revenue the amount received by>
22 29. Page 21, line 31, by striking <2021> and inserting
23 <2021, and the portion of the amount attributable to each
24 county where the taxing authority is located, if applicable>
25 30. Page 22, line 21, by striking <4A> and inserting <4A, or
26 portion thereof,>
27 31. Page 22, line 22, by striking <taxing authority>
28 and inserting <appropriate county treasurer, as provided in
29 subsection 2, paragraph "b",>
30 32. Page 22, line 24, by striking <The> and inserting <After
31 payment by the county treasurer to the taxing authority, the>
32 33. Page 25, by striking line 31 and inserting <2023, and
33 ending June 30, 2024, shall be expended by the school>
34 34. Page 25, after line 33 by inserting:
35 <Sec. _____. Section 300.2, Code 2021, is amended by adding

1 the following new subsection:

2 NEW SUBSECTION. 4. a. A levy under this chapter shall not
3 be approved by the voters on or after the effective date of
4 this division of this Act.

5 b. If the levy has not been discontinued under section
6 300.3, the authorization to impose the levy under this chapter
7 shall terminate July 1, 2024.

8 c. Notwithstanding subsection 2, including a proposition
9 approved at an election held before the effective date of this
10 division of this Act, the rate of a levy imposed by a board of
11 directors under this chapter for the fiscal year beginning July
12 1, 2023, shall not exceed one-half of the levy rate imposed by
13 the board of directors for the fiscal year beginning July 1,
14 2022.>

15 35. Page 26, line 20, by striking <This division> and
16 inserting <Except as otherwise provided in this division of
17 this Act, this division>

18 36. Page 26, line 21, by striking <2022> and inserting
19 <2024>

20 37. Page 26, after line 21 by inserting:

21 <Sec. _____. EFFECTIVE DATE. The following, being deemed of
22 immediate importance, takes effect upon enactment:

23 The section of this division of this Act enacting section
24 300.2, subsection 4.>

25 38. Page 26, line 22, by striking <This division> and
26 inserting <Except for the section of this division of this Act
27 enacting section 300.2, subsection 4, this division>

28 39. Page 26, line 23, by striking <2022> and inserting
29 <2024>

30 40. Page 26, line 30, by striking <2> and inserting <1,
31 paragraph "b">

32 41. By striking page 26, line 31, through page 27, line 2.

33 42. By striking page 29, line 34, through page 30, line 19,
34 and inserting:

35 <Sec. _____. Section 425.39, subsection 1, as amended by 2021

1 Iowa Acts, House File 368, section 33, is amended to read as
2 follows:

3 1. a. The elderly and disabled property tax credit fund is
4 created. There is appropriated annually from the general fund
5 of the state to the department of revenue to be credited to the
6 elderly and disabled property tax credit fund, from funds not
7 otherwise appropriated, an amount sufficient to implement this
8 subchapter for credits for property taxes due for claimants
9 described in section 425.17, subsection 2, paragraph "a",
10 subparagraphs (1) and (3), subject to paragraph
11 "b".

12 b. Regardless of the amount of the credit determined under
13 section 425.23, subsection 1, paragraph "c", the amount paid by
14 the director of revenue to each county treasurer for credits
15 for claimants described under section 425.17, subsection 2,
16 paragraph "a", subparagraph (3), shall not exceed the amount
17 calculated for the claimant under section 425.23, subsection 1,
18 paragraph "c", subparagraph (1), and section 25B.7, subsection
19 1, shall not apply to the amount of the credit in excess of the
20 amount paid by the director of revenue.>

21 43. Page 37, after line 25 by inserting:

22 <DIVISION ____
23 TRANSIT FUNDING

24 Sec. _____. Section 28M.3, subsection 1, Code 2021, is amended
25 to read as follows:

26 1. A regional transit district shall have all the rights,
27 powers, and duties of a county enterprise pursuant to sections
28 331.462 through 331.469 as they relate to the purpose for
29 which the regional transit district is created, including
30 the authority to issue revenue bonds for the establishment,
31 construction, reconstruction, repair, equipping, remodeling,
32 extension, maintenance, and operation of works, vehicles, and
33 facilities of a regional transit district. In addition, a
34 regional transit district, with the approval of the board of
35 supervisors, may issue general obligation bonds as an essential

1 county purpose pursuant to [chapter 331, subchapter IV, part 3](#),
2 for the establishment, construction, reconstruction, repair,
3 equipping, remodeling, extension, maintenance, and operation of
4 works, vehicles, and facilities of a regional transit district.
5 Such general obligation bonds are payable from the property tax
6 levy authorized in [section 28M.5](#) and from the transit hotel and
7 motel tax imposed under section 423A.4, subsection 1, paragraph
8 "b", if applicable.

9 Sec. _____. Section 28M.4, subsection 3, Code 2021, is amended
10 to read as follows:

11 3. A commission shall adopt and certify an annual budget
12 for the regional transit district. A commission in its budget
13 shall allocate the revenue responsibilities of each county and
14 city participating in the regional transit district, subject
15 to reductions in the maximum authorized property tax levy
16 rate under section 28M.5, if applicable. A commission shall
17 be considered a municipality for purposes of adopting and
18 certifying a budget pursuant to [chapter 24](#).

19 Sec. _____. Section 28M.4, Code 2021, is amended by adding the
20 following new subsection:

21 NEW SUBSECTION. 4A. A commission may, following approval at
22 election, impose a transit hotel and motel tax under section
23 423A.4, subsection 1, paragraph "b".

24 Sec. _____. Section 28M.4, subsections 5 and 6, Code 2021, are
25 amended to read as follows:

26 5. A commission shall levy ~~for~~ the tax under section 28M.5
27 and shall control any tax revenues paid to the regional transit
28 district the commission administers and, including all moneys
29 derived from the operation of the regional transit district,
30 a transit hotel and motel tax imposed under section 423A.4,
31 subsection 1, paragraph "b", the sale of its the district's
32 property, interest on investments, or from any other source
33 related to the regional transit district.

34 6. Tax revenues collected from a regional transit district
35 levy or a transit hotel and motel tax under section 423A.4,

1 subsection 1, paragraph "b", shall be held by the county
2 treasurer. Before the fifteenth day of each month, the county
3 treasurer shall send the amount collected for each fund through
4 the last day of the preceding month for direct deposit into
5 the depository and account designated by the commission. The
6 county treasurer shall send a notice to the secretary of the
7 commission or the secretary's designee stating the amount
8 deposited, the date, the amount to be credited to each fund
9 according to the budget, and the source of the revenue.

10 Sec. _____. Section 28M.5, subsections 1 and 4, Code 2021, are
11 amended to read as follows:

12 1. a. The commission, with the approval of the board of
13 supervisors of participating counties and the city council of
14 participating cities in the [chapter 28E](#) agreement, may, subject
15 to the reductions required under paragraph "b", levy annually a
16 tax not to exceed ninety-five cents per thousand dollars of the
17 assessed value of all taxable property in a regional transit
18 district to the extent provided in [this section](#). The chapter
19 28E agreement may authorize the commission to levy the tax at
20 different rates within the participating cities and counties in
21 amounts sufficient to meet the revenue responsibilities of such
22 cities and counties as allocated in the budget adopted by the
23 commission. However, for a city participating in a regional
24 transit district, the total of all the tax levies imposed in
25 the city pursuant to [section 384.12, subsection 10](#), and this
26 section shall not exceed the aggregate of ninety-five cents per
27 thousand dollars of the assessed value of all taxable property
28 in the participating city or the levy rate determined under
29 paragraph "b", whichever is less.

30 b. (1) If a regional transit district imposes a transit
31 hotel and motel tax under section 423A.4, subsection 1,
32 paragraph "b", the maximum levy rate authorized under this
33 section shall be reduced as provided in this paragraph. For
34 each fiscal year beginning on or after July 1 following the
35 first calendar year for which the transit hotel and motel

1 tax is imposed in the regional transit district, and until
2 subparagraph (4) applies, the levy rate imposed under this
3 section shall not exceed a rate equal to the rate that would
4 be required for the fiscal year beginning July 1 following the
5 election approving the transit hotel and motel tax to collect
6 an amount equal to the property taxes collected by the regional
7 transit district for the fiscal year beginning July 1 following
8 the election approving the transit hotel and motel tax minus
9 the amount of transit hotel and motel tax revenue received by
10 the regional transit district for the first calendar year for
11 which the transit hotel and motel tax is imposed.

12 (2) If the regional transit district authorizes the
13 commission to levy the tax at different rates within the
14 participating cities and counties, as authorized under
15 paragraph "a", the levy rate reduction required under this
16 paragraph shall be applied by the department of management
17 to each participating city and county based upon the revenue
18 responsibilities of such cities and counties as provided in the
19 chapter 28E agreement on the date the transit hotel and motel
20 tax is approved at election.

21 (3) If a regional transit district increases the rate of the
22 transit hotel and motel tax, further reductions in the maximum
23 authorized levy rate under this section shall be implemented
24 in the same manner as provided under subparagraphs (1) and (2)
25 for the reductions following initial imposition of the transit
26 hotel and motel tax.

27 (4) If the regional transit district repeals the transit
28 hotel and motel tax, the maximum authorized levy rate shall be
29 ninety-five cents per thousand dollars of the assessed value
30 for fiscal years beginning after the date of termination under
31 section 423A.4, unless the transit hotel and motel tax is
32 reinstated.

33 4. The proceeds of the tax levy and other authorized
34 revenues of the regional transit district shall be used for
35 the operation and maintenance of a regional transit district,

1 for payment of debt obligations of the district, and for the
2 creation of a reserve fund. The commission may divide the
3 territory of a regional transit district outside the boundaries
4 of a city into separate service areas and impose a regional
5 transit district levy not to exceed the maximum rate authorized
6 by [this section](#) in each service area.

7 Sec. _____. Section 303.52, subsection 4, paragraph a, Code
8 2021, is amended to read as follows:

9 a. The board of trustees may by ordinance impose a local
10 hotel and motel tax in accordance with [chapter 423A](#).

11 Sec. _____. Section 331.402, subsection 2, paragraph f, Code
12 2021, is amended to read as follows:

13 f. Impose a local hotel and motel tax in accordance with
14 chapter 423A.

15 Sec. _____. Section 384.12, subsection 10, Code 2021, is
16 amended to read as follows:

17 10. a. A tax for the operation and maintenance of a
18 municipal transit system or for operation and maintenance of a
19 regional transit district, and for the creation of a reserve
20 fund for the system or district, in an amount not to exceed
21 ninety-five cents per thousand dollars of assessed value
22 each year or the levy rate determined under paragraph "b",
23 if applicable, when the revenues from the transit system or
24 district are insufficient for such purposes.

25 b. (1) If the city participates in a regional transit
26 district under chapter 28M that imposes a transit hotel and
27 motel tax under section 423A.4, the maximum levy rate shall be
28 the levy rate determined under section 28M.5, subsection 1,
29 paragraph "b".

30 (2) (a) If the city imposes a transit hotel and motel tax
31 under section 423A.4, the maximum levy rate shall be reduced as
32 provided in this subparagraph. For each fiscal year beginning
33 on or after July 1 following the first calendar year for which
34 the transit hotel and motel tax is imposed in the city, and
35 until subparagraph division (c) applies, the levy rate imposed

1 under this subsection shall not exceed a rate equal to the rate
2 that would be required for the fiscal year beginning July 1
3 following the election approving the transit hotel and motel
4 tax to collect an amount equal to the property taxes collected
5 by the city under this subsection for the fiscal year beginning
6 July 1 following the election approving the transit hotel and
7 motel tax minus the amount of transit hotel and motel tax
8 revenue received by the city for the first calendar year for
9 which the transit hotel and motel tax is imposed.

10 (b) If a city increases the rate of the transit hotel and
11 motel tax, further reductions in the maximum authorized levy
12 rate under this subsection shall be implemented in the same
13 manner as provided under subparagraph division (a) for the
14 reduction following initial imposition of the transit hotel and
15 motel tax.

16 (c) If the city repeals the transit hotel and motel tax,
17 the maximum authorized levy rate shall be ninety-five cents
18 per thousand dollars of the assessed value for fiscal years
19 beginning after the date of termination under section 423A.4,
20 unless the transit hotel and motel tax is reinstated.

21 Sec. _____. Section 423A.4, Code 2021, is amended to read as
22 follows:

23 **423A.4 ~~Locally imposed~~ Local hotel and motel tax — transit**
24 **hotel and motel tax.**

25 1. a. A city, a county, or a land use district created
26 under chapter 303, subchapter IV, may impose, by ordinance of
27 the city council or by resolution of the board of supervisors
28 or by ordinance of the board of trustees, a local hotel and
29 motel tax, at a rate not to exceed seven percent, which shall
30 be imposed in increments of one or more full percentage points
31 upon the sales price from the renting of lodging. The tax
32 when imposed by a city shall apply only within the corporate
33 boundaries of that city, when imposed by a county shall apply
34 only outside incorporated areas within that county, and when
35 imposed by a land use district shall apply only within the

1 corporate boundaries of that district. A local hotel and motel
2 tax imposed by a city or county shall not be imposed within the
3 corporate boundaries of a land use district during any period
4 of time that the land use district is imposing a local hotel
5 and motel tax.

6 b. A regional transit district or a city that is not
7 participating in a regional transit district may impose, by
8 resolution of the regional transit district commission or by
9 ordinance of the city council, a transit hotel and motel tax,
10 at a rate not to exceed five percent, which shall be imposed
11 in increments of one or more full percentage points upon the
12 sales price from the renting of lodging. The tax when imposed
13 by a regional transit district shall apply only within the
14 boundaries of the regional transit district and may be imposed
15 in addition to any tax imposed under paragraph "a". The tax
16 when imposed by a city shall apply only within the corporate
17 boundaries of that city and may be imposed in addition to any
18 tax imposed under paragraph "a".

19 2. Within ten days of the election at which a majority of
20 those voting on the question favors the imposition, repeal,
21 or change in the rate of the local hotel and motel tax or the
22 transit hotel and motel tax, the county auditor shall give
23 written notice by sending a copy of the abstract of votes from
24 the favorable election to the director of revenue.

25 3. A local hotel and motel tax imposed by a city, county,
26 or land use district shall be imposed on January 1 or July
27 1, following the notification of the director of revenue. A
28 transit hotel and motel tax imposed by a regional transit
29 district or a city shall be imposed on January 1, following the
30 notification of the director of revenue. Once imposed, the tax
31 shall remain in effect at the rate imposed for a minimum of
32 one year. A local hotel and motel tax or a transit hotel and
33 motel tax shall terminate only on June 30 or December 31. At
34 least forty-five days prior to the tax being effective or prior
35 to a revision in the tax rate or prior to the repeal of the

1 tax, a city, county, ~~or~~ land use district, or regional transit
2 district shall provide notice by mail of such action to the
3 director of revenue. The director shall have the authority to
4 waive the notice requirement.

5 4. a. A city, county, or land use district shall impose
6 or repeal a hotel and motel tax or increase or reduce the
7 tax rate only after an election at which a majority of those
8 voting on the question favors imposition, repeal, or change
9 in rate. A regional transit district or city shall impose or
10 repeal a transit hotel and motel tax or increase or reduce the
11 tax rate only after an election at which a majority of those
12 voting on the question favors imposition, repeal, or change in
13 rate. However, a local hotel and motel tax of a city or county
14 shall not be repealed or reduced in rate if obligations are
15 outstanding which are payable as provided in [section 423A.7](#),
16 unless funds sufficient to pay the principal, interest, and
17 premium, if any, on the outstanding obligations at and prior
18 to maturity have been properly set aside and pledged for that
19 purpose.

20 b. (1) If the local hotel and motel tax applies only within
21 the corporate boundaries of a city, only the registered voters
22 of the city shall be permitted to vote. The election shall be
23 held at the time of the regular city election or at a special
24 election called for that purpose.

25 (2) If the local hotel and motel tax applies only in the
26 unincorporated areas of a county or only within the corporate
27 boundaries of a land use district, only the registered voters
28 of the unincorporated areas of the county or the registered
29 voters of the land use district, as applicable, shall be
30 permitted to vote. The election shall be held at the time of
31 the general election or at a special election called for that
32 purpose.

33 (3) For a transit hotel and motel tax imposed by a regional
34 transit district, only the registered voters of the regional
35 transit district shall be permitted to vote. The election

1 shall be held at the time of the general election or the
2 regular city election.

3 (4) For a transit hotel and motel tax imposed by a city,
4 only the registered voters of the city shall be permitted to
5 vote. The election shall be held at the time of the general
6 election or the regular city election.

7 5. ~~The locally imposed~~ local hotel and motel tax ~~and the~~
8 transit hotel and motel tax shall be collected and remitted as
9 provided in [section 423A.5A](#).

10 Sec. _____. Section 423A.5A, subsection 3, Code 2021, is
11 amended to read as follows:

12 3. Unless otherwise provided in [this section](#), the
13 state-imposed tax under [section 423A.3](#) ~~and any locally,~~ the
14 local hotel and motel tax imposed tax under [section 423A.4](#), and
15 the transit hotel and motel tax imposed under section 423A.4,
16 shall be collected by the lodging provider from the user of
17 that lodging and shall be remitted to the department. The
18 lodging provider shall add the state-imposed tax to the sales
19 price of the lodging and the tax, when collected, shall be
20 stated as a distinct item, separate and apart from the sales
21 price of the lodging and from the ~~locally imposed tax~~ taxes
22 imposed under section 423A.4, if any. The lodging provider
23 shall add ~~the locally imposed~~ each tax imposed under section
24 423A.4, if any, to the sales price of the lodging and the tax,
25 when collected, shall be stated as a distinct item, separate
26 and apart from the sales price of the lodging, ~~and from the~~
27 state-imposed tax, and from the other taxes imposed under
28 section 423A.4.

29 Sec. _____. Section 423A.6, subsections 1, 3, and 4, Code
30 2021, are amended to read as follows:

31 1. The director of revenue shall administer the state,
32 ~~and local,~~ and transit hotel and motel ~~tax~~ taxes as nearly as
33 possible in conjunction with the administration of the state
34 sales tax law, except that portion of the law which implements
35 the streamlined sales and use tax agreement. The director

1 shall provide appropriate forms, or provide on the regular
2 state tax forms, for reporting state, and local, and transit
3 hotel and motel tax liability. All moneys received or refunded
4 one hundred eighty days after the date on which a city, county,
5 ~~or~~ land use district, or regional transit district, terminates
6 its local hotel and motel tax or transit hotel and motel tax
7 and all moneys received from the state hotel and motel tax
8 shall be deposited in or withdrawn from the general fund of the
9 state.

10 3. The director, in consultation with local officials,
11 shall collect and account for a local hotel and motel tax and a
12 transit hotel and motel tax and shall credit all revenues to
13 the local transient guest tax fund created in [section 423A.7](#).
14 Local authorities shall not require any tax permit not required
15 by the director of revenue.

16 4. [Section 422.25, subsection 4, sections 422.30, 422.67,](#)
17 [and 422.68, section 422.69, subsection 1, sections 422.70,](#)
18 [422.71, 422.72, 422.74, and 422.75,](#) section 423.14, subsection
19 [1, and sections 423.23, 423.24, 423.25, 423.31, 423.33,](#)
20 [423.35, 423.37 through 423.42, and 423.47,](#) consistent with the
21 provisions of [this chapter](#), apply with respect to the taxes
22 authorized under [this chapter](#), in the same manner and with
23 the same effect as if the state, and local, and transit hotel
24 and motel taxes were retail sales taxes within the meaning of
25 those statutes. Notwithstanding [this subsection](#), the director
26 shall provide for quarterly filing of returns and for other
27 than quarterly filing of returns both as prescribed in section
28 423.31. The director may require all persons who are engaged
29 in the business of deriving any sales price subject to tax
30 under [this chapter](#) to register with the department. All taxes
31 collected under [this chapter](#) by a retailer, lodging provider,
32 lodging facilitator, lodging platform, or any other person are
33 deemed to be held in trust for the state of Iowa and the local
34 jurisdictions imposing the taxes.

35 Sec. _____. Section 423A.7, subsections 2 and 3, Code 2021,

1 are amended to read as follows:

2 2. All moneys in the local transient guest tax fund shall
3 be remitted at least quarterly by the department, pursuant to
4 rules of the director of revenue, to each city in the amount
5 collected under section 423A.4, subsection 1, paragraph "a",
6 from businesses in that city, to each county in the amount
7 collected under section 423A.4, subsection 1, paragraph "a",
8 from businesses in the unincorporated areas of the county, and
9 to each land use district in the amount collected under section
10 423A.4, subsection 1, paragraph "a", from businesses in that
11 land use district, to each regional transit district in the
12 amount collected under section 423A.4, subsection 1, paragraph
13 "b", from businesses within the boundaries of the regional
14 transit district and to each city in the amount collected under
15 section 423A.4, subsection 1, paragraph "b", from businesses
16 in that city.

17 3. Moneys received by the city from this fund collected
18 under section 423A.4, subsection 1, paragraph "a", shall be
19 credited to the general fund of the city, subject to the
20 provisions of [subsection 4](#).

21 Sec. _____. Section 423A.7, Code 2021, is amended by adding
22 the following new subsection:

23 NEW SUBSECTION. 6. a. The revenue derived by a regional
24 transit district from the transit hotel and motel tax
25 authorized by section 423A.4 shall be expended exclusively for
26 the purposes of the regional transit district under chapter 28M
27 and shall result in a reduction in the maximum levy rate for
28 the regional transit district, as provided in section 28M.5,
29 subsection 1, paragraph "b". However, the amount of revenue
30 derived by the regional transit district in the second calendar
31 year that transit hotel and motel tax is imposed that exceeds
32 the amount of revenue derived by the regional transit district
33 in the first calendar year that transit hotel and motel tax
34 is imposed shall be used for property tax relief for the levy
35 under section 28M.5 in addition to the reduction to the levy

1 rate as the result of the revenue derived in the first calendar
2 year that the transit hotel and motel tax is imposed.

3 *b.* The revenue derived by a city from the transit hotel
4 and motel tax authorized by section 423A.4 shall be expended
5 exclusively for the operation and maintenance of a municipal
6 transit system and shall result in a reduction in the maximum
7 levy rate for the city under section 384.12, subsection 10.
8 However, the amount of revenue derived by the city in the
9 second calendar year that transit hotel and motel tax is
10 imposed that exceeds the amount of revenue derived by the
11 city in the first calendar year that transit hotel and motel
12 tax is imposed shall be used for property tax relief for the
13 levy under section 384.12, subsection 10, in addition to the
14 reduction to the levy rate as the result of the revenue derived
15 in the first calendar year that the transit hotel and motel tax
16 is imposed.>

17 44. By renumbering as necessary.

DAN DAWSON